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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Honorable J. James Exon
United States Senate
528 Hart Senate Office Building
Washington, DC 20510

Dear Senator Exon:

Thank you for your letter on behalf of William P. Sandman, Manager, Diller Telephone Company, Diller, Nebraska, regarding implementation of the programming access provisions in the Cable Television Consumer Protection and Competition Act of 1992.

The 1992 Cable Act prohibits unfair or discriminatory practices in the sale of programming in order to foster the development of competition to cable systems by increasing access to programming by other multichannel video programming distributors. In the 1992 Cable Act, Congress instructed the Commission to adopt implementing regulations pertaining to program access. In accordance with the statute, the Commission invited comment on provisions that will govern access to multichannel video programming (Notice of Proposed Rulemaking in MM Docket No. 92-265, released December 24, 1992). In particular, we sought comment on proposed regulations to prohibit: (1) undue influence by cable operators upon actions by affiliated program vendors, (2) price discrimination by vertically integrated satellite cable programming vendors and satellite broadcast programming vendors, and (3) certain exclusive contracting practices that the Commission finds not to be in the public interest. We also recognized testimony in the legislative history of the 1992 Cable Act that caused Congress to conclude that vertically integrated program suppliers have the incentive and ability to favor their affiliated cable operators over other multichannel programming distributors. In addition, we also indicated that the Commission previously found anecdotal evidence that some vertically integrated programming suppliers and cable operators may have indeed used anticompetitive actions against other programming services and competing multichannel providers.

Your constituent's comments will be placed in the official record of MM Docket 92-265, so that they will receive full consideration prior to any action the Commission takes to implement these provisions of the 1992 Cable Act.

Sincerely,

cc: rec'd

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Congressional

CONGRESSIONAL CORRESPONDENCE TRACKING SYSTEM
03/17/93

LETTER REPORT

CONTROL NO.	DATE RECEIVED	DATE OF CORRESP	DATE DUE	DATE DUE OLA(857)
9301210	03/17/93	03/09/93	04/06/93	

TITLE

MEMBERS NAME

REPLY FOR SIG OF

J. JAMES EXON
NEBRASKA

528 SENATE HART BUILDING
WASHINGTON, DC 20510

287 FEDERAL BUILDING
LINCOLN, NE 68508

1823 FARNHAM STREET
OMAHA, NE 68102

275 FEDERAL BUILDING
NORTH PLATTE, NE 69101

2106 FIRST AVENUE
SCOTTSBLUFF, NE 69361

United States Senate

WASHINGTON, DC 20510-2702

COMMITTEES:
ARMED SERVICES
COMMERCE, SCIENCE, AND
TRANSPORTATION
BUDGET

mmb
CATV-Ne
for
1210

March 9, 1993

Federal Communications Commission
Congressional Liaison
1919 M Street, N.W.
Washington, D.C. 20554

Dear Sir:

On February 16, 1993, I wrote to you and included a letter from a fellow Nebraskan, Rex Carpenter. Mr. Carpenter was concerned about the FCC's December 24th notice of proposed rulemaking.

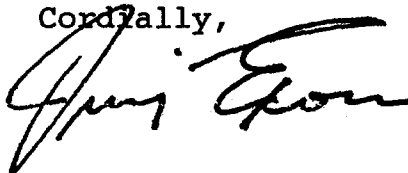
To date, I have received no reply from you in response to my request for a full explanation of the Commission's actions, intentions, and schedule on this matter.

I have now received an additional letter on this matter and am enclosing it for your review.

Please address Mr. Sandman's specific concerns also in your reply to me at the following address:

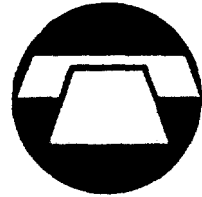
Senator J. James Exon
ATTN: Doris Petersen
United States Senate
Washington, DC 20510

Cordially,



Jim Exon
United States Senator

Enclosure



DILLER TELEPHONE CO.

William P. Sandman, Manager

93 FEB 16 PM 5:51
February 11, 1993

P.O. Box 218
Diller, Nebraska 68342
Telephone (402) 793-5330

The Honorable J. James Exon
Room 528
Hart Senate Office Bldg.
Washington, D.C. 20510

Dear Senator Exon:

I am writing to you to express my concern about the Federal Communications Commission's Notice of Proposed Rule Making that was released on December 24, specifically as it pertains to the Section 19 programming access provisions of the recently passed cable bill.

I am the General Manager of the Diller Telephone Company which serves approximately 900 customers in southeast Nebraska. In our part of Nebraska there are many consumers for whom cable service is unavailable due to the remoteness. The only way these consumers can receive television is by using an antenna or home satellite dish. Until now, these home satellite dish owners have been paying a higher rate for their programming than cable customers.

My company, along with hundreds of utilities like it around the country, worked long and hard to secure the inclusion of the cable bill's Section 19 programming access provisions in order to protect our consumers from the cable industry's price gouging. When the bill passed, we were understandably pleased and hopeful that the discrimination would stop.

This is why we are concerned by the tone of the FCC's NPRM on the subject. The FCC seems to have had some difficulty understanding Congress' intentions regarding the cable bill. The duty you charged the FCC with is simple: to issue rules that will encourage competition in the video marketplace by bring an end to the already existing monopolistic pricing practices of many cable owned programmers.

By writing this letter, I hope to impress upon you the reality of this price discrimination. For our consumers, it is really an important issue. And it is completely unnecessary; it costs cable owned programmers and satellite carriers no more to serve the rural home dish market than the urban cable market.

I urge you to review the NPRM issued by the FCC on Dec. 24, and help us ensure that rural residents of Nebraska are protected against price discrimination by lending your voice to our objection to this NPRM. I hope you will encourage competition in the video marketplace and baring an end to the unjustifiable discrimination against the noncable videomarket place by cable owned programmers. On behalf of the thousands of home satellite dish owners living in rural Nebraska, I thank you for your support.

Sincerely,
Diller Telephone Company

William P. Sandman
William P. Sandman; Mgr.